

ARIZONA STATE LEGISLATURE
Fiftieth Legislature – Second Regular Session

COMMISSION ON SALARIES FOR ELECTIVE STATE OFFICERS

Minutes of Interim Meeting
Wednesday, August 1, 2012
Senate Hearing Room 1 -- 9:00 a.m.

Chairman Atkins called the meeting to order at 9:00 a.m. and attendance was noted by the secretary.

Members Present

Lisa Atkins, Chairman
Bill Feldmeier
Joe Kanefield

Brian Kaufman
Dennis Mitchem

Members Absent

None

Chairman Atkins reviewed the agenda and named the members in attendance.

Travis Butchart, Senior Compensation Analyst, Arizona Department of Administration (ADOA), reviewed the work of the Commission at the prior meeting in relation to legislative salaries. He said the purpose of this meeting is to review the salaries of the remaining elected officials and make recommendations to forward to the Governor to adopt or modify.

Chairman Atkins noted that the Members were provided with the following:

- Information about Clerks of the Superior Court (Attachments 1 and 2).
- Letter of appointments to the Commission (Attachment 3).
- Memorandum from Pete Dunn, Arizona Judges Association, regarding judges' salaries (Attachment 4).

Commission Discussion and Possible Action on Elected Official Salary Recommendation

Referring to the remaining elected officials listed in a report provided by Mr. Butchart at the previous meeting, *2012 Commission on Salaries for Elected State Officers* (Attachment 5), the members made the following comments:

Governor

- The Governor's salary has remained the same since 1999 and is low considering the job responsibilities.
- The Governor should at least be paid as much as the Chief Justice of the Supreme Court who earns \$60,000 more, although the salaries of both should be increased.
- All elected officials' salaries are inadequate based on the job responsibilities, but given the current economy, this is not the appropriate time to recommend salary increases.
- A comprehensive review of all elected officials' salaries should be done, including comparisons with county supervisors, assessors, etc.
- An adequate number of qualified candidates run for Governor despite the salary.

In response to a query, Mr. Butchart advised that he has not done a study of what elected officials' salaries would be from 1999 if increases had been given indexed to cost-of-living or if the elected officials had received the raises that were given to state employees, but it can be done.

Secretary of State, Attorney General, State Treasurer, Superintendent of Public Instruction, State Mine Inspector and Arizona Corporation Commissioners

- The salaries of the Secretary of State and the Attorney General are ranked 44th and 45th respectively in the nation. These are difficult jobs for which these officials are grossly underpaid.
- The Attorney General often employs lawyers who make much more than he does, which some people would consider "lousy management."
- Now is not the time to recommend salary increases.
- The State Mine Inspector's salary is the ninth-lowest of the ten states with that position, making him as underpaid as other elected officials.

Mr. Butchart related that the effective date of any salary increase that is recommended depends on the term of office, but new incumbents who take office in January 2013 could possibly benefit.

Pete Dunn, Attorney, Arizona Judges Association, in response to questions, related that since the Commission was established, if a recommendation was made for no salary increases, the Governor did not make a different recommendation. He anticipates that will also be true of Governor Jan Brewer. After recommendations are made by the Commission, the Governor has the ability to increase salaries in the January 2013 budget (which has never happened), lower the salaries or recommend no salary increases. After the Governor's recommendation, the Legislature has 90 days to disapprove the recommendation or pass statute setting a different level.

He advised that the earliest any salary increases can go into effect is January 2015. If no increase is recommended, the next raises will occur in January 2017, with the exception of executive offices, which will be in January 2019. The statute states that Commission members shall be appointed in even-numbered years. He suggested that if there are not enough votes for a

recommendation for salary increases, the meeting could be postponed until September 2012. There would still be time for the Governor to include recommendations in the January 2013 budget; otherwise, it will be a long time before increases in salaries go into effect.

Jennifer Sweeney, Arizona Association of Counties, further clarified that the statute requires the Commission to meet in even-numbered years and provide a report by June 1 of that year; however, reports by prior Commissions have been late, some until September, when there would still be time to consider the recommendations for the budget in the following year. However, legislative salary increases must go to the ballot and there is a deadline for submission of information to the Secretary of State's Office, which was taken into consideration when the June 1 deadline was set.

Chairman Atkins stated that the process was set up to meet the Secretary of State's deadline and to give the Executive sufficient time to make budget adjustments.

Chief Justice of the Supreme Court, Justices of the Supreme Court, Appellate Court Judges, Superior Court Judges, Clerks of the Court in Maricopa and Pima Counties, Clerks of the Court in Rural Counties

The members made the following comments:

- Judicial salaries are too low, with the last raise given in 2009.
- Arizona's Judiciary is nationally recognized as one of the best in the country.
- Judicial salaries are "out of whack" with counterparts in municipal government.
- Private sector attorneys do not apply for the bench because of the pay disparity.
- A comprehensive review is needed before making recommendations.

Public Testimony

Mr. Dunn pointed out that being Governor or Attorney General is not a career, but when someone becomes a judge, it is a career. Executive officials are underpaid, but Governors have been reluctant to recommend raises for themselves. The present Governor is term-limited and not expected to run again so she will have the ability to recommend a raise for the next Governor, unlike previous Governors. Judicial salaries will never equal private sector salaries, but any raises recommended by the Commission will not go into effect until January 2015. He urged the Commission to adopt the appropriate and minimal recommendations in the memorandum (Attachment 4), pointing out that the Governor and Legislature have an opportunity to make changes. He responded to questions about comparable salaries of judges in other states, municipal government and federal judges, and private practice attorney applicants to the Supreme Court and trial courts.

Michael Jeanes, Clerk of the Superior Court, Maricopa County, stated that the salaries of Clerks of the Superior Court are paid by the county so there is no impact on the state budget. He said he recognizes these are difficult times, but if a recommendation is not made for 2015, the next opportunity will not be until 2019 because of the terms of office. He reviewed the job responsibilities of Clerks (Attachment 1). He noted that the members were provided with

comparable salary information from the National Center for State Courts and the National Association of Counties (Attachment 2). The 2002, 2006 and 2008 Commissions based their recommendations on similar information.

Ms. Sweeney expressed support for a salary increase for Clerks of the Court and reviewed the two-tier system for county salaries.

Mr. Mitchem stated that because of the political climate in Arizona, it was difficult in the past to pay elected officials commensurate with the private sector, so the Commission was formed to take the pressure off the Governor and Legislature and provide automatic salary increases. That has not happened because some years there were no recommendations made or the recommendations were rejected. He expressed skepticism about the ability to pass something more desirable, adding that the Commission makes it impossible for elected officials to “feather their own nest.”

Mr. Kanefield moved, seconded by Mr. Mitchem, that the Commission recommend that the salaries be increased for the Chief Justice of the Arizona Supreme Court to \$175,000, for the Supreme Court Justices to \$170,000, for the Court of Appeals Judges to \$165,000 and for the Superior Court Judges to \$160,000; also, that the salaries for Clerks of the Court be increased to \$85,000 for rural counties and \$106,000 for Pima and Maricopa Counties.

Mr. Kanefield stated that these salaries are consistent with the recommendations of the Commissions in 2006 and 2008 and a recommendation a few years ago regarding Clerks of the Court. He urged the members to forward this recommendation to the Governor and the Legislature, noting that the salary increases will not be received for two or more years based on the term of the office. The economy is improving and these elected officials are all underpaid compared to colleagues in other states.

Mr. Feldmeier said he sympathizes with the need for increases, but because of the current state of the economy, this is not the appropriate time to recommend salary increases. Mr. Kaufman clarified that this would be a \$15,000 increase for each judge.

Question was called and the motion failed by a voice vote of 2-3.

Mr. Mitchem moved that the Commission recommend that the salary of the Governor be increased from \$95,000 to \$160,000 per year so the Governor will be paid the same salary as the Chief Justice.

Mr. Kanefield made a substitute motion, seconded by Mr. Mitchem, that the Commission recommend that the salary of the Governor be increased to \$110,000 so it is consistent with the State of New Mexico. The motion failed by a voice vote of 2-3.

Commission Discussion and Possible Action on Recommendations Report to the Governor

Chairman Atkins said although there will be no recommendation for salary increases, the Commission owes the Governor a report. The pattern of not adhering to the statutory requirement of appointment in time to meet the June 1 deadline is disturbing. She suggested that the members plan to begin discussions with legislators at the beginning of next session about the possibility of making the appointments during odd-numbered years so the Commission's work can be completed in a timely manner. She surmised that all of the members agree that elected officials are underpaid, but said she personally believes the economy is still suffering and this is not the time for increases, even though there is a lag time until any increases would become effective.

Mr. Mitchem commented that the Commission is not serving a useful purpose when it was originally created to simplify a process that was woefully administered.

Mr. Kanefield suggested that the Commission's report state that the Commission members agree that all elected officials are underpaid for the reasons that were discussed, but the majority of the members believe that because of the economy, salary increases should not be recommended for any officials at this time.

Mr. Feldmeier said he does not like the timeline. Mr. Kanefield agreed, commenting that the members were not appointed in time to meet the June 1 deadline.

Chairman Atkins indicated that she will meet with Mr. Butchart to compile the Commission's report.

Schedule Next Meeting (if necessary)

No meeting was scheduled.

Mr. Kanefield moved, seconded by Mr. Feldmeier, that the Committee be adjourned. The motion carried.

The meeting adjourned at 10:23 a.m.

Linda Taylor, Committee Secretary
August 13, 2012

(Original minutes, attachments and video on file in the Office of the Chief Clerk; video archiving available at <http://www.azleg.gov>)